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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।

Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF FOREIGN TRADE

PUBLIC NOTICE

IMPORT TRADE CONTROL

New Delhi, the 19th May 1970

SUBJECT.—*Licensing conditions relating to import of commodities under the Canadian Non-Project Loan 1970 of C.$ 17.0 Million.*

No. 74-ITC(PN)/70.—The terms and conditions for imports under the Canadian Non-Project Loan 1970 of C. $ 17.0 Million as given in the Annexure to this Public Notice, are notified for the information of the Trade.

ANNEXURE

Licensing Conditions Relating to Import of Commodities Etc. under the Canadian Non-Project Loan

Import Licence No.——————————Canadian $ 17.0 Million dated 22nd April, 1970.

1. The licence will be issued with an initial validity period of 4 months. Firm orders, on C.I.F. or C. & F. basis, must be placed on the suppliers within four months from the date of issue of the import licence. Licences may be submitted for revalidation to cover shipments with documentary proof of firm orders having

been placed and showing the contractuals date(s) of shipment(s). If orders cannot be placed within four months, the licence should be submitted for revalidation during the 5th month giving the reasons for the delay in placing orders and indicating the date by which orders would be placed. Such requests will be considered on merits by the C.C.I. & E. in consultation with the Ministry of Finance (Department of Economic Affairs), where necessary.

2. All payments must be completed within one month after expiry of licence. Individual payments must be arranged upon shipment of goods. No credit facility of any kind will be permitted.

3. *Invitation to Tender (Tender Notice)*:

(i) The Indian Importer must invite tenders from the recommended list of potential suppliers in Canada. The recommended list of potential Canadian Suppliers may be obtained from the Canadian Trade Commission's Office in India or from the Candian International Development Agency (CIDA).

(ii) At the time of issue of the tender call, a copy of the tender notice, alongwith a list of Canadian firm invited to tenders should be forwarded directly to the C.I.D.A., Ottawa.

(iii) Invitation to tender should contain the following details:—

(a) Detailed specifications, quantity and quality of the materials or equipment required should be expressed as far as possible in terms of Canadian standards or specifications and where other than Canadian Specifications or standards are used, the Canadian equivalent should be given and the tenderers requested to indicate in their tenders the similarity and differences between their offer and the requirement specifications. (b) The tender notice should prominently mention closing date and hour by which tenders should reach the office of the buyer. (The tender closing date should be so established as to provide adequate time for the tenderers to prepare and mail their tenders. Normally a minimum of 30 clear days should be allowed for receipt of the tenders). (c) The tenderers must be required to forward a copy of their completed tenders to the C.I.D.A. at Ottawa at the same time as they are forwarded to the buyers. (d) The tenderers must be required to fill in the Canadian Content Declaration Form (attached) as Appendix ('A') and forward the same to the C.I.D.A. as part of the tender documentation. (e) A copy of the Canadian Content Declaration Form is not to be forwarded to the buyer but in the suppliers' tender the Canadian Content by percentage and dollar value of the material and equipment must be mentioned prominently. (f) The tender notice should clearly stipulate that only offers with a minimum over all Canadian Content of 80 per cent will normally be considered. (g) The tender notice must contain instructions that the FAS cost of the purchase would be paid out of the Canadian Loan and that the ocean freight and insurance will be paid separately by the buyers. Therefore, the tender notice must contain specific instructions that the tenderer must indicate the FAS cost and other items of cost separately. (h) The tender notice should also contain a reference to the import licence No. and date authorising procurement against Canadian Loan or aid funds.

4. *Tender Assessment*:

(a) Only offers with a minimum overall Canadian Content of 80 per cent should normally be considered for acceptance, and the CIDA, Ottawa should be advised immediately concerning (i) the name of the recommended suppliers; (ii) the name of the firms who tendered; and (iii) the details of the prices offered. The orders should be placed only after receipt of approval from the CIDA, Ottawa. (b) The lowest tender conforming to the tender specifications and having the requisite Canadian Content must invariably be accepted unless otherwise specifically agreed to by the CIDA. If other than the lowest offer is proposed to be accepted the reason for doing so must be submitted to the CIDA and their prior approval specifically taken before the purchase contract is awarded. (c) In the event of all the tenders failing to meet the required specifications, the competition must be regarded as cancelled and fresh tenders must be invited on the basis of acceptably modified specifications. (d) Only these tenders received by the office of the buyer before the closing date and hour established in the tender notice should qualify for

consideration. (e) In all negotiations, it should be made clear that the acceptance of any offer is provisional and would be become firm only after it is accepted for financing by the CIDA, Ottawa.

5. *Purchase Contracts*:

(i) Purchase contract should be concluded on C.I.F. basis or C & F basis but the FAS cost (Canadian Port) involved should be separately and specifically indicated. The value of the contract should be expressed in Canadian dollars. Indian Agents' Commission, if any, should be paid in Indian Rupee. (The same will, however, be debited against the Exchange Control copy of the L/L).

(ii) After receipt of the approval for the award of the contract from CIDA, Ottawa (to be obtained by the importer directly) the Indian importer will place his purchase order on the approved supplier. Two copies of the buyer's order (together with a copy of the letter of approval of CIDA) are to be forwarded to the Ministry of Finance, Department of Economic (Acct. Branch), (Shri P. C. Jain, SAO), Jeewan Deep Bldg., Parliament Street, New Delhi. The importer will also have to furnish a Bank Guarantee in the form attached (Appendix 'B') from an authorised dealer in foreign exchange in India for the full FAS cost of orders placed against the import licence plus 1 per cent thereof converted at the prevailing composite rate of Rs. 701—Canadian $ 100. The Bank guarantee should be executed on a non-judicial stamp paper, the value of the stamp being adjudicated by the Collector of Stamps in accordance with the provisions of Section 31 of the Stamp Act 1899. (No Bank Guarantee is required from Public Sector projects). The Department of Economic Affairs will send copy of the purchase order to CIDA, Ottawa authorising them to issue a conforming purchase order to the Canadian Supplier.

(iii) The purchase order should contain the following:—

(a) Detailed specifications, quantity and cost of the materials or equipment to be supplied.

(b) Detailed delivery instructions,

(c) Instructions regarding ocean freight and insurance arrangements.

(d) The name and address of the ultimate consignee.

(e) Instructions to the supplier that he should send by Fast Air Mail the negotiable shipping documents to the designated Indian Bank, simultaneously, they submit their payment document to CIDA for payment. Subsequently, after receiving payment from CIDA, the suppliers should indicate by Air Mail, the date and amount of payment (by CIDA) to the importer. While submitting documents to CIDA for payments, the suppliers should certify to CIDA that (a) they have despatched original shipping documents to the Bank here by Air Mail, and (b) immediately after receiving payment, they would intimate to the importers by Air Mail the amount and the date of payment by CIDA. (on receipt of intimation of payment from supplier, the importer would produce the same to the Bank for necessary action by them).

(iv) The External Aid Office will, while confirming the purchase order to the supplier, assure payment of FAS costs after receipt of proof of shipment. The CIDA will also instruct the Canadian supplier that the negotiable shipping documents are to be forwarded by him promptly by Fast Air Mail to the designated Indian Bank, *vide* (e) above. The CIDA would verify the certifications of the supplier, *vide* (e) above, while making payments to them.

6. *Report on Ordering*:

On the first of each month, a report of orders placed as in the form Appendix 'C' attached herewith should be sent by the importers to the Ministry of Finance, Deptt. of Economic Affairs, Accounts Branch (Shri P. C. Jain, S.A.O.) and also to Foreign Exchange Section, Ministry of Industrial Development and Company Affairs, New Delhi. The report should cover all licences and eligible imports.

7. *Payments against import licence*:

(i) The import licence will not be valid for remittance of FAS cost from India, as the same will be paid in Canada out of the relevant Canadian Loan. Foreign Exchange necessary for other items of cost i.e. Ocean freight, Insurance etc. will be provided for in the import licence itself and will be remittable, through normal banking channels on the basis of Exchange Control copy of the licence which will

be valid for such payment. The Canadian Suppliers will be paid the FAS cost directly by the CIDA, Ottawa on submission of the prescribed documents, namely, three copies of Supplier invoices, bill of lading and freight certificates and inspection certificates where applicable.

(ii) The Indian Bank which has furnished the guarantee will receive the original shipping documents from the Canadian Suppliers but should release the documents to the Indian Importers only after ensuring that the importer has deposited the rupee equivalent of the FAS cost of the import paid to the supplier by the CIDA into the Account of Government of India, the rupee equivalent being calculated at the rate of Rs. 701—C$ 100, and also interest at the rate of 6 per cent p.a. on the amount of deposit calculated for the period commencing from the date of payment to the Canadian Supplier by CIDA to the date of rupee deposit of the said rupee equivalent. The necessary rupee deposits relating to FAS cost and interest must be arranged to be made within 7 days of receipt of documents and advice of payment by the Indian Bank. The Head of Account to which the amounts should be credited as given below:—

"Deposits and advances—Part II Deposits not bearing interest—Other Deposits account Civil Deposits—deposits of cost of material procured under Canadian Development Loan Assistance—Non-Project Loan for C$ 17.0 Million dated 22nd April, 1970."

Important:—It should be noted very carefully that the said Exchange rate is the prevailing composite rate of exchange and is subject to any change in the same as and when decided upon by the Government of India which will be communicated to the importers/its bankers.

(iii) The deposits shall be made normally at the Reserve Bank of India, New Delhi or the State Bank of India, Delhi; where this is not feasible, it is also permissible to remit by means of a demand draft drawn on and in favour of the State Bank of India. Tis Hazari Branch, Delhi. The importer should also fill in duplicate form "S" incorporated in Annexure II to P.N. No. 184-ITC(PN)/68 dated 30th August, 1968 and present the same to their bank while arranging for rupee deposits in accordance with the procedure prescribed in their Public Notice.

(iv) The Indian Bank concerned shall send one copy of the treasury Challan from the Reserve Bank of India or the State Bank of India to Shri P. C. Jain, Senior Accounts Officer, Deptt. of Economic Affairs, Ministry of Finance, Jeewan Deep Building, Parliament Street, New Delhi along with a forwarding letter giving full details of the import and one set of documents (invoice Bill of Lading, evidence of payment with date). When all import against an import licence are completed and the importers' bank applies for release of bank guarantee, such request should invariably be made in the form indicated in Appendix 'D' accompanied by a certificate from importer confirming that wherever loss or damage to goods in transit or short landing of goods has occurred, suitable claim relative to it has been preferred along with details thereof. It should be noted that unless these are complied with, release of bank guarantee will not be considered.

(v) The Indian Bank concerned will verify before making remittance of ocean freight amounts, that the necessary recoveries on account of FAS cost of goods, paid by CIDA and also for interest charges at 6 per cent p.a. from date of payment to date of deposit, have been made and accounts credited to Government Account.

(vi) The importer shall be responsible for the arrangement and payment of:—

(a) The cost of Ocean freight and insurance;

(b) The inspection of materials, where necessary prior to packing and shipping.

8. *Disputes*: The importer shall note that the Government will not undertake any responsibility for disputes, if any, that may arise.

9. *Future Instructions*: The importer shall promptly comply with any directions, instructions or orders issued by the Government regarding any and all matters arising from or pertaining to the import licence.

10. *Breach or Violations*: Any breach or violation of the conditions set forth in the clauses mentioned above would result in appropriate action under the Import and Export (Control) Act.

APPENDIX 'A'

CANADIAN CONTENT FORM

EXTERNAL AID OFFICE

CAPITAL ASSISTANCE DIVISION

Supplier ——————————— Buyer ———————————

Head Office Address ——————————— Country ———————————

Tender No. ———————————

Plant Address ———————————

	Canadian $	Non-Canadian $	Total
1. Material and Labour			
2. Engineering & Development			
3. Royalties			
4. Duties (if applicable)			
5. Overhead, profit, administrative expenses etc. .			
6. Total			
7. Percentage of content	%	%	100%
8. Total cost of Materials Purchased from Canadian Firms:			

Clarification :

I, ——————————— of ———————————

(Name in block letters) (Address)

an authorised signing of officer of ———————————

(Name of Company)

certify that the above information has been examined by me and is accurate true and complete.

Date ——————— 19———

———————————

(Signature of Company's Comptroller of Treasure.

The information in this form is for the confidential use of the CIDA, though the information provided in Line 7 should accompany the tender submitted to the buyer.

PLEASE MAIL AIR AT TO CANADIAN INTERNATIONAL DEVELOPMENT AGENCY, OTTAWA, ONTARIC, WITH COPY OF TENDER.

Explanatory Notes for Canadian Content Form

This form is designed to provide data for evaluating the Canadian content of exports to be financed with the External Aid Funds. The CIDA reserve the right to verify that the Canadian content requirement is being met as specified.

In preparing the Canadian Conten Form the supplier should round out the costs in canadian funds to the nearest dollar and ensure that the total Canadian and non-Canadian content on line 6, column 3, equals the total selling price. All cost, direct and indirect, are to be established in accordance with normal accounting practice in the firm. Supporting documents, including invoices, illustrating how these ost have been established are to be held for examination by the CIDA.

In designing the Canadian Content Form consideration has been given to the complexities and differences of accounting practices in industry. Experience indicates that the data required should be readily available from the cost records of the supplier. In specific cases where the information requested is not applicable a notation, N/A, should be written in the appropriate space.

Line 1: Candian portion of material purchased should reflect the fact that such material purchased from Canadian suppliers has a non-Canadian content. S.G. purhases from Canadian suppliers may most $ 10,000 but in this $ 10,000 there may be $ 2,000 of non-Canadian content, therefore these should be entered only $ 8,000 in the Canadian Column and the $ 2,000 should be entered in the non-Canadian column. The total invoice value paid to Canadian suppliers, $ 10,000 in the above example, should appear on line 8.

The CIDA will accept the basic raw material portion of goods manufactured in Canada as 100 per cent Canadian content, providing that the applicant company can establish that the basic raw material is not physically available in Canada (*e.g.* bauxite ore).

Line 2: Engineering and Development, if not directly related to this sale should be pro-rated.

Line 4: Duties should include only duty paid to the Canadian Government.

Line 5: Miscellaneous should include overhead, profit, advertising sales and administrative expenses and corporation income taxes on a pro-rated basis, and incoming and outgoing inland freight and sales taxes when applicable. Ocear freight if applicable should be shown as a separate item.

Line 6: The total in column there should be the same as the Tendered price.

Line 8: Cut not for line 1.

APPENDIX 'B'

To

The President of India,
through Secretary to the Government of India,
Ministry of Finance,
Department of Economic Affairs,
New Delhi.

Sir,

In consideration of the President of India hereinafter referred to as 'the Government having agreed to arrange for payment in foreign currency of the price of goods to be imported by

(i)
(ii)
(iii)
(iv)

Individual/partners working under the name and style of Messrs.....
.....
.....

(Name & addresse(s)

a company having its registered

office at in the State of.....

hereinafter referred to as the importers under Import Licence No.

.....dated granted for

rupees we.....

hereby guarantee that we shall arrange to deposit to the credit of the Government in the Reserve Bank of India New Delhi/State Bank of India, Delhi, or by means of Demand Draft drawn on and in favour of State Bank of India, Tis Hazari Branch, Delhi in the manner and against the appropriate Head of Account as stated in the Licensing Conditions:

(i) Within 7 days of the recipt of the advice of payment, with shipping documents, from the Canadian suppliers of rupee equivalent of the F.A.S. cost in Canadian dollars disbursed by the Government of Canada (CIDA) to the suppliers, at the rate of Rs. 701 = C. $ 100 along with interest thereon at 6 per cent per annum from the date of pay ment of Canadian suppliers to the date of deposit of the rupee equivalent.

(ii) Within 7 days of the demand by the Government, such additional amount as may be demanded by the Government as being due on account of service charges.

2. We, ... undertake to pay to the Government on demand and without demur such sum not exceeding.....
.....rupees (Plus interest and service charges as aforesaid as may be demanded by the Government in the event of the Importers failing or neglecting to make any of the above mentioned said payments and the decision of the Government as to such failure or neglect on the part of Importers and as to the amount payable to the Government by us hereunder shall be final and binding on us.

3. We, ...agree and undertake not to release shipping documents to the Importer until after the rupee equivalent as aforesaid and the other dues, if any, as demanded by Government are deposited to the credit of the Government.

4. We, ...agree and undertake not to revoke this guarantee during its currency except with the previous consent of the Government of India.

5. The guarantee herein contained shall not be affected by any change in the constitution of the Importers or of our Bank.

6. The Government shall have the fullest liberty without affecting this guarantee to vary any of the terms of the Import Licence detailed above or to extend the time of payment by the Importers from time to time or to postpone for any time and from time to time any of the powers exercisable by it against the importers and we, ... shall not be released fro mour liability under this guarantee by any exercise by the Government of the liberty with reference to the amount aforesaid or by reason of any such variation or extension of time being given to the Importers or any forebearance, act or omission on the part of the Government or any indulgence by the Government to the Importers or by any of the matters or things whatsoever which under the law relating to sureties shall but for this provision have the effect of so releasing us Bank from our such liability.

Our liability under this bond/guarantee is restricted to Rs..... (Plus interest and service charges as aforesaid not expected to increase 1 per cent of the licence value) and it will remain in force till the** day of.....(Month) 19 . Unless claims under the bond/guarantee are made in writing within six months of this date and unless a suit of action to enforce whose claims is commenced within another six months thereafter *i.e.* upto all Government's rights under this bond/guarantee shall be forefeited and we shall be relieved and discharged from all liability thereunder.

Yours faithfully,
Signature of the Authorised Officer
of the Bank and Banks full address.

Place :.....
Date.....

(The Bank guarantee is to be executed on a non-judicial stamp paper, the value of the stamp being adjudicated by the Collector in accordance with the provisions of Section 31 of the Indian Stamp Act, 1899).

*Strike out which is not applicable.

**This date shall be arrived at by adding one month to the date by which all payments are expected to be finalised for shipments, as per delivery schedule of the relative contracts.

APPENDIX 'C'

Proforma Report—One for each Import Licence under Canadian
Loan, dated.....
Report as on.....

1. Particulars of loan:

2. No. and date and value of Import Licence.

3. Ordering position :
 (a) Total value of orders placed (in rupees).
 (b) Balance Value of orders yet to be placed (in rupees).
 (c) Phasing of balance orders.
 Indicate when these would be completed.

4. Payment position :
 (a) Total value of payments made so far (in rupees).
 (b) Balance value of payments yet to be made (in rupees).
 (c) Phasing of balance payments.

5. Remarks if any, particularly regarding any special difficulties experienced in complete utilisation of licences within its validity period.

Signature
Name and address of Importer.....
.....
.....
.....
.....